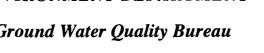


NEW MEXICO ENVIRONMENT DEPARTMENT

Ground Water Quality Bureau



BILL RICHARDSON Governor DIANE DENISH Lieutenant

Harold Runnels Building 1190 St. Francis Drive, P.O. Box 5469 Santa Fe, New Mexico 87502-6110 Phone (505) 827-2918 Fax (505) 827-2965 www.nmenv.state.nm.us



-RON CURRY Secretary 3 SARAH COTTRELL Deputy Secretary

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

November 15, 2010

Mr. Timothy E. Eastep, Manager Environment, Land & Water Department Chino Mines Company Freeport-McMoRan Copper & Gold P.O. Box 10 Bayard, New Mexico 88023

RE:

Groundhog Mine Site Annual Monitoring Report Approval Hanover and Whitewater Creeks Investigation Unit (H/WCIU) Chino Administrative Order on Consent (AOC)

Dear Mr. Eastep:

The Ground Water Quality Bureau of the New Mexico Environment Department (NMED) received the above referenced Annual Monitoring Report, dated October 28, 2010, on November 1, 2010. NMED has reviewed the Report and approves this version of the Report.

NMED is disappointed that the interim remedial action does not appear to have improved shallow ground water quality which has declined significantly in well GH-2004-2S over the last two years. Constituents of concern, with increasing concentrations above the Water Quality Standards, in this well are cadmium, manganese, sulfate, TDS and zinc.

Also, the surface water aquatic life acute and chronic criteria were exceeded for cadmium, copper, lead and zinc. This fact supports the current practice of pumping the upper pond to alleviate subsurface flow through the adjacent tailing material under the pipeline haul road.

If you have any questions, please contact me at 388-1934.

Sincerely

Phil Harrigan, Chino AOC Project Manager Mining Environmental Compliance Section Ground Water Quality Bureau New Mexico Environment Department Silver City Field Office

cc:

Mary Ann Menetrey, NMED Jerry Schoeppner, NMED Mark Purcell, USEPA Chris Eustice, MMD (via email) Kurt Vollbrecht, NMED (via email)